

THE STORY OF THE NEWS AGENCY EPOCH

BARRIERS DOWN

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news and extending its reputation abroad. With The Associated Press it was a case of breaking down the barriers that hindered the exchange of news between the press of all nations—the kind of news exchange that brings peoples of all nations to understand each other and thus reduces to a minimum the causes of wars.

The climax for The Associated Press in its relations with the European monopoly came in 1934. And at that time, in conformity with a proposal made by me, The Associated Press and the United Press signed a contract establishing between themselves the principle of non-exclusive access to foreign news at its source. That contract was one of the most remarkable documents in history, even though it does refer only to a matter of international news dissemination and not to international politics. But that is getting ahead of the story.

Prior to the first World War there were in Europe three great news agencies. They were Reuters of England, Havas of France, and Wolff of Berlin. Each bore the name of its founder. Each began activities in the days before the telegraph.

Unlike today, when the prime business of news agencies is to collect and distribute news to newspapers, the customers of these three pioneers originally were banking and commercial houses interested in market prices and developments affecting trade. The three news agencies were in no sense press associations; that is, they were in no sense servants of the press. Indeed, they did not let newspapers have their services at all until the telegraph came into being. This for the reason that they felt that newspaper publication of their prices and news

would lose them the patronage of all the banks and merchants who, seeing in the newspapers what interested them in their business, would have no need of direct information from the news agencies at high subscription rates.

Of the three, Havas claimed to be the first who engaged in collecting and disseminating market prices and intelligence in an organized manner. Havas dated his beginning to 1835. Wolff claimed a beginning practically contemporaneously with Havas. Reuter began operations in Germany in the forties but his real beginning was when he transferred his activities to London in 1851. As dispatchers of market prices their business was profitable but they reached no standing of public importance until they began serving news to newspapers. Then their power and prestige developed. Each got the idea of serving newspapers from an enterprise that had its inception in New York City in 1848, namely, The Associated Press which, being exactly what the name implies, is an association of newspapers. It was organized by newspapers to save duplication of expenses in collecting the same news. It did save its sponsors money.

In the next decade Reuter sold the same idea to the London newspapers by giving them a part of the economy of the plan and keeping the rest as profit for himself. Havas and Wolff soon followed Reuter in exploiting the newspaper field profitably.

From these beginnings there arose the first, the greatest and the most powerful international monopoly of the nineteenth century. Its potentialities and its activities, viewed in the liberal spirit of 1942, were astounding. When Reuter, Havas and Wolff pooled their resources,

established complete news agency control of international news and allotted to themselves the news agency exploitation in all the countries of the world, they brought under their control the power to decide what the people of each nation would be allowed to know of the peoples of other nations and in what shade of meaning the news was to be presented.

Moreover, to perfect this monopoly they either established news agencies of their own in the smaller countries or accepted the patronage of agencies which in some countries were actually branches of the government. The latter always responded to the requirement of their governments that they influence and deceive readers at home as well as abroad. Some of this was done and is still being done on a grand scale. International attitudes have developed from the impressions and prejudices aroused by what the news agencies reported. Monopoly made the system of deception work. The mighty foreign propaganda carried on through these channels in the last hundred years has been one of the causes of wars that never has been uncovered. Based on the American conception of ethical standards, the situations that confronted newspapers in some countries prior to the second World War were simply immoral; such as these:

Reuters for many years dominated the news agencies of other countries; so did Havas; so did Wolff;

Havas, of France, an agency of a country in Europe, for years had autocratic control of what the newspapers in the whole of South America could obtain from the monopoly in the way of foreign news;

Over the critical period of a great era, one individual, Reuter, had the final word on international news exchange throughout the entire world—a domination the like of which for international ramifications, complications and regimenting of world opinion has never been equaled.

This control of international news exchange seemed to me to cry out for correction through the application of a practical idealism in international news relationships. Though I tried to advance the idea of the Versailles Treaty providing both for a free press and for freedom of international news exchange, my effort, backed only by my own voice, was unsuccessful.

In the next postwar era a free press and freedom of international news exchange everywhere must be guaranteed. There can be no permanent peace unless men of all lands can have truthful, unbiased news of each other which shall be freely available at the source to all who seek it there, wherever that may be. The flow of news must not be impeded. Those whose business it is to get the news at the source must be under no restraint or dictation by governments. This can come to pass only when, as to news collection, all the barriers are down.

repeated. Thus there emerged from distrust what has become a hallowed moral concept of The Associated Press: that its news must be true and unbiased.

While this principle had become the policy of The Associated Press, it took a really great character, who believed in independent, honest journalism, to turn that idea into a practical ideal. Honest, true and unbiased news was bible to him. Mr. Stone, my predecessor, put into forceful and lasting effect the moral concept that necessity had invented. During his long administration he made the organization strong because he never permitted it to stray from the principles of accuracy and impartiality.

While many of the European agencies endeavored to maintain accuracy, they were subject to outside influence in the matter of bias. Moreover, they were really not press associations of the type of The Associated Press, which served only newspapers. They had commercial interests, including banking; news was more or less secondary. Some of the smaller of them paid no attention to news whatever, excepting the "handouts" that came from government offices or the major agencies. Many of these proprietary agencies were under government control and were used for the distribution of propaganda at home and abroad. Some found this line of endeavor much more profitable than the collection and dissemination of ordinary news.

If Havas was indeed the first to begin the compilation of market prices for private customers, he was also the least imaginative of the three, Wolff and Reuter being the other two. Havas never dreamed of world activities, being entirely content to confine his operations to

France, with limited ambitions in other Latin countries. Transitions in the French Government during the nineteenth century may have required Havas to confine himself to the domestic field. The actual management of the Havas Agency in its early days fell upon Henri Houssaye, its managing director. Credited with being much more imaginative than the founder, Henri Houssaye was quick to embrace the idea of a world alliance when Reuter proposed it.

The first approach by Reuter, however, was to Wolff, not to Havas. This is understandable because German influences in England were strong in the early days of Queen Victoria's reign. The approach, therefore, to the German news agency was a natural one, even had Reuter himself not been born in that country.

Wolff embraced the idea of an alliance which later took the form of a monopoly. When the first contract was made between Reuters, Wolff and Havas, Wolff may have wielded as much influence as Reuter. But as time went on German influence in England waned. Toward the close of the nineteenth century, with the ascendancy of Emperor Wilhelm II, Reuter's son, Herbert, who had relieved his father of the burdens of directing Reuters News Agency, turned more and more to Henri Houssaye, of Havas. Because of French antipathy toward Germany, Houssaye was willing enough to furnish to Reuters the balance of power in the triumvirate. Actually, the story is that, after the turn of the century, international bankers headed by the Rothschilds became interested in the ownership of all three agencies. Certainly they were important customers. Whether or not they were owners, they were credited with having influence

with the three agencies second only to the influence of their respective governments.

Of all the agencies that were in the alliance just prior to the first World War, Reuters, with headquarters in London, was undoubtedly the most powerful. Dignified, conservative, omniscient, it had during the long years of its service become a household word throughout the empire. Also it had become a part of the tradition of Britain. It carried on its operations and drank tea daily at 4 P.M. in its rambling offices, which lay in ancient Old Jewry near the Bank of England. These offices were so dingy with age that practically none of its employees knew when the occupancy of the building began, much less the history of Reuters itself.

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Reuters Rex

THE origin and position of Reuters in empire news affairs have become a legend. Literature about the agency is scattered. But Hollywood, overlooking nothing, dramatized Paul Julius Reuter's beginning in a motion picture entitled *A Message from Reuters*. The story of the picture, however, dealt only with the early days of the news agency.

Reuter, born in Kassel, Germany, used carrier pigeons to exchange market quotations and important governmental messages between capitals. Others were doing it. When telegraphs and cables supplanted carrier pigeons, others quit the field. Reuter did not. He saw an unusual opportunity in the laying of the cable across the English Channel from Dover to Calais. Transferring his headquarters to London and becoming a naturalized British subject he immediately began exchanging quotations by cable for brokers on the London Stock Exchange and the Paris Bourse.

In a little two-room office on the first floor of No. 1 Royal Exchange, long-since rebuilt, he began the business. Later he moved to the comparatively new quarters in Old Jewry.